

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

MARVIN H. MAURRAS REVOCABLE)	
TRUST, DERIVATIVELY AND ON)	
BEHALF OF ACCRETIVE HEALTH, INC.,)	
)	
PLAINTIFF,)	
)	
vs.)	
)	
EDGAR M. BRONFMAN, JR., J. MICHAEL)	Case No. 12-cv-03395
CLINE, STEVEN N. KAPLAN, STANLEY)	
N. LOGAN, DENIS J. NAYDEN, ARTHUR)	Judge: Hon. Gary Feinerman
H. SPIEGEL, III, MARY A. TOLAN, MARK)	
A. WOLFSON,)	Jury Trial Demanded
)	
DEFENDANTS,)	
)	
and)	
)	
ACCRETIVE HEALTH, INC.)	
)	
)	
NOMINAL DEFENDANT.)	

JOINT INITIAL STATUS REPORT

Pursuant to this Court's Initial Status Report Order, Plaintiff Marvin H. Maurras Revocable Trust ("Plaintiff") and Defendants Edgar M. Bronfman, Jr., J. Michael Cline, Steven N. Kaplan, Stanley N. Logan, Denis J. Nayden, Arthur H. Spiegel, III, Mary A. Tolan, Mark A. Wolfson (the "Individual Defendants") and Accretive Health, Inc. ("Accretive" or the "Company," and with the Individual Defendants, the "Defendants") submit the following Joint Initial Status Report.

I. NATURE OF THE CASE

A. Attorneys of record, and lead trial counsel, for each party.

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B. Basis for federal jurisdiction.

This is a diversity action brought pursuant to 28 U.S.C. § 1334(a).

C. Nature of the claim(s) and any counterclaim(s), including the amount of damages and other relief sought.

This is a shareholder derivative action brought by Plaintiff against the Individual Defendants, who are current members of the Company's Board of Directors (the "Board"), and Accretive as nominal defendant. Plaintiff alleges that the members of the Board breached their fiduciary duty of loyalty to Accretive by allowing the Company to violate various health privacy laws, state debt collection laws, and state consumer protection laws. The suit seeks unquantified damages and various forms of declaratory and injunctive relief.

At this time, there are no counterclaims.

D. Whether the defendant will answer the complaint, or, alternatively, whether the defendant will otherwise plead to the complaint.

Defendants will move to dismiss the complaint for failure to state a claim upon which relief can be granted and failure to make demand on the Board.

E. Principal legal and factual issues.

At this stage, the parties identify the following principal legal issues:

- Whether Plaintiff has adequately pled a claim for breach of the duty of loyalty; and
- Whether Plaintiff is excused from making a demand on the Board, and has met the pleading requirements of Federal Rule of Civil Procedure 23.1, such that

Plaintiff has standing to assert its claim.

F. Which defendants have been served with process, which defendants have not been served, and the status of efforts to effect service on the unserved defendants.

Defendants agreed to waive service in this case. *See* Dkt. No. 15.

II. PROCEEDINGS TO DATE

A. Summary of all substantive rulings to date.

There have been no substantive rulings to date. Pursuant to a joint stipulation filed by the Parties on June 19, 2012, Dkt. No. 14, on June 20, 2012, the Court terminated George P. Schultz as a defendant in this action. *See* Dkt. No. 19.

B. Description of all pending motions.

There are no pending motions at this time, although Defendants anticipate filing a motion to dismiss on or about July 25, 2012.

III. DISCOVERY AND CASE PLAN

A. Summary of discovery, formal and informal, that has already occurred.

The parties have agreed to stay discovery pending this Court's decision on Defendants' motion to dismiss, to be filed on or about July 25, 2012.

B. Whether there has been a jury demand.

Plaintiff has demanded a jury trial.

C. Estimated length of trial.

At this stage, the Parties estimate a trial of approximately one to two weeks.

IV. SETTLEMENT

A. Describe settlement discussions to date and whether those discussions remain ongoing.

Plaintiff continues to formulate a demand, but is unable to make a formal demand at this time.

B. Whether the parties request a settlement conference.

No settlement conference requested at this time.

V. MAGISTRATE JUDGE

A. Whether the parties consent to proceed before a magistrate judge for all purposes.

The parties do not consent to proceed before a magistrate judge.

B. Any particular matters that already have been referred to the magistrate judge, and the status of those proceedings.

No matters have been referred to a magistrate judge in this case.

Dated: July 10, 2012

Respectfully submitted,

/s/ Amy Keller

/s/ Leonid Feller

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Attorneys for Individual Defendants

CERTIFICATE OF SERVICE

I hereby certify that on July 10, 2012, a true and correct copy of this **JOINT INITIAL STATUS REPORT** was electronically filed with the Clerk of the Court through ECF, which provides service on each party who is a registered ECF user.

/s/ Leonid Feller

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